

FIRST REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 266**  
98TH GENERAL ASSEMBLY

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Reported from the Committee on Jobs, Economic Development and Local Government, April 16, 2015, with recommendation that the Senate Committee Substitute do pass.

1241S.05C

ADRIANE D. CROUSE, Secretary.

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**AN ACT**

To amend chapter 71, RSMo, by adding thereto one new section relating to the authority of municipalities to offer certain services.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 71, RSMo, is amended by adding thereto one new  
2 section, to be known as section 71.289, to read as follows:

**71.289. 1. For the purposes of this section, the following terms  
2 mean:**

3       **(1) "Competitive service" or "service", a wholesale or retail  
4 offering of a good or service, or substantially similar good or service,  
5 which is provided by one or more service providers within the  
6 boundaries of a city, town, or village. "Competitive service" shall not  
7 be construed to mean any service which a city, town, or village is  
8 prohibited to offer by law;**

9       **(2) "Fiscal impact", the total estimated cost of providing the  
10 proposed service, including the annual operating cost, the fair market  
11 value of all resources provided by the city, town, or village, the cost of  
12 physical facilities, and compensation of staff;**

13       **(3) "Service provider", a solid waste collection provider, wireless  
14 service provider, broadband or other internet protocol enabled service  
15 provider, video service provider, telecommunications company or other  
16 communications-related service provider, gas corporation as defined by  
17 section 386.020, electrical corporation as defined by section 386.020,  
18 water corporation as defined by section 386.020, or sewer corporation  
19 as defined by section 386.020;**

20       **(4) "Solid waste collection provider", one or more private entities**

21 that provide solid waste or recycling collection for commercial or  
22 residential services;

23 (5) "Substantially similar", a good or service that, when viewed  
24 from the consumer's perspective, is used for the same purpose as the  
25 good or service it is being compared to, irrespective of how the good or  
26 service is delivered;

27 (6) "Wireless service provider", a provider of commercial mobile  
28 service under Section 332(d) of the Federal Telecommunications Act of  
29 1996 (47 U.S.C. Section 151, et seq.).

30 2. On or after August 28, 2015, no city, town, or village may offer  
31 to provide any competitive service unless:

32 (1) The city, town, or village offered such competitive service for  
33 purchase as of August 28, 2015;

34 (2) The competitive service is not being offered by any service  
35 provider within the boundaries of such city, town, or village;

36 (3) The annual fiscal impact to the city, town, or village of  
37 providing such competitive service is less than one hundred thousand  
38 dollars; or

39 (4) Such competitive service offering is approved by a majority  
40 of the voters of the city, town, or village voting thereon, as provided in  
41 this section.

42 3. To place the question of providing a competitive service on the  
43 ballot, the city, town, or village shall:

44 (1) Complete a study concerning the feasibility of offering the  
45 service, including the financial implications to the city, town, or  
46 village, access to the service being provided by private business, and  
47 other relevant factors, and shall release the results of the study to the  
48 public at least ninety days prior to the question being placed before the  
49 voters; and

50 (2) Determine the total estimated cost of the project for the city,  
51 town, or village for the next five years.

52 4. The question shall be submitted in substantially the following  
53 form:

54 Shall ..... (name of city, town, or village) offer .....  
55 (name and description of service), at an estimated cost to  
56 ..... (name of city, town, or village) of ..... (estimated cost  
57 of the project determined pursuant to subdivision (2) of

58 subsection 3 of this section) within the next five years?

59 5. In the event the question fails to receive a majority vote, the  
60 question shall not be resubmitted to the voters for a period of at least  
61 two years.

62 6. If a city, town, or village offers a competitive service where a  
63 private business offers such service:

64 (1) No financial subsidization to support the service shall be  
65 allowed from revenue collected from other services offered by the city,  
66 town, or village; and

67 (2) No funds of the city, town, or village shall support such  
68 service, unless the voters of the city, town, or village approve a specific  
69 revenue stream for the service.

70 7. The provisions of this section shall not be construed to limit  
71 the application of section 260.247.

72 8. The provisions of this section shall not apply to:

73 (1) Any home rule city in which its charter allows any new  
74 ordinance or any ordinance to amend or repeal any existing ordinance  
75 to be submitted to the city's governing body by initiative petition  
76 signed by electors of the city equal in number to at least five percent  
77 of the total vote cast for candidates for the office of mayor at the last  
78 preceding regular municipal election and with more than four hundred  
79 thousand inhabitants;

80 (2) Any city not within a county; or

81 (3) Any home rule city with more than one hundred fifty-five  
82 thousand but fewer than two hundred thousand inhabitants.

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